

Subpart C—Service Options Provided

§ 375.301 What service options may I provide?

(a) You may design your household goods service to provide individual shippers with a wide range of specialized service and pricing features. Many carriers provide at least the following five service options:

- (1) Space reservation.
- (2) Expedited service.
- (3) Exclusive use of a vehicle.
- (4) Guaranteed service on or between agreed dates.
- (5) Liability insurance.

(b) If you sell liability insurance, you must follow the requirements in § 375.303.

§ 375.303 If I sell liability insurance coverage, what must I do?

(a) You, your employee, or an agent may sell, offer to sell, or procure liability insurance coverage for loss or damage to shipments of any individual shipper only when the individual shipper releases the shipment for transportation at a value not exceeding 60 cents per pound (\$1.32 per kilogram) per article.

(b) You may offer, sell, or procure any type of insurance policy on behalf of the individual shipper covering loss or damage in excess of the specified carrier liability.

(c) If you sell, offer to sell, or procure liability insurance coverage for loss or damage to shipments:

(1) You must issue to the individual shipper a policy or other appropriate evidence of the insurance that the individual shipper purchased.

(2) You must provide a copy of the policy or other appropriate evidence to the individual shipper at the time you sell or procure the insurance.

(3) You must issue policies written in plain English.

(4) You must clearly specify the nature and extent of coverage under the policy.

(5) Your failure to issue a policy, or other appropriate evidence of insurance purchased, to an individual shipper will subject you to full liability for any claims to recover loss or damage attributed to you.

(6) You must provide in your tariff for the provision of selling, offering to sell, or procuring liability insurance coverage. The tariff must also provide for the base transportation charge, including your assumption of full liability for the value of the shipment. This would be in the event you fail to issue a policy or other appropriate evidence of insurance to the individual shipper at the time of purchase.

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Subpart D—Estimating Charges

§ 375.401 Must I estimate charges?

(a) You must conduct a physical survey of the household goods to be transported and provide the prospective individual shipper with a written estimate, based on the physical survey, of the charges for the transportation and all related services. There are *two exceptions* to the requirement to conduct a physical survey:

(1) If the household goods are located beyond a 50-mile radius of the location of the household goods motor carrier's agent preparing the estimate, the requirement to base the estimate on a physical survey does not apply.

(2) An individual shipper may elect to waive the physical survey. The waiver agreement is subject to the following requirements:

(i) It must be in writing;

(ii) It must be signed by the shipper before the shipment is loaded; and

(iii) The household goods motor carrier must retain a copy of the waiver agreement as an addendum to the bill of lading with the understanding that the waiver agreement will be subject to the same record retention requirements that apply to bills of lading, as provided in § 375.505(d).

(b) Before you execute an order for service for a shipment of household goods for an individual shipper, you must provide a written estimate of the total charges and *indicate whether it is a binding or a non-binding estimate*, as follows:

(1) A *binding estimate* is an agreement made in advance with your individual shipper. It guarantees the total cost of the move based upon the quantities and services shown on your estimate,